



VISION

To be the dominant Life,
Health & Pensions player
built on trust by world-class
people & service.



What sets a leader apart, is its innate ability and willingness to rise to the opportunities the environment presents. Over the years, ICICI Prudential Life has been able to stand strong, learn from changes in its environment and adopt the learnings to strengthen its fundamentals. Its intrinsic culture of learning, adapting and strengthening has enabled the company to translate the changes into opportunities leading to a more sustainable future.

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From the CEO's Desk

Dear Shareholders,

The financial year 2009 will no doubt go down in our memories as one of the most eventful years we have experienced in our lifetime. What started as a financial crisis in the US turned into an economic crisis and a spiral began that buffeted markets across the globe. India too felt the impact, as exports slowed, and the flow of dollars abated. Fortunately, the Indian financial system held up quite well. If anything, the Indian stock market settlement systems and the financial system as a whole got stress- tested, and came out in good shape.

Yet, the volatile economic scenario and the fluctuating markets took consumers by surprise, who in turn became

apprehensive about their investments. Though insurance is about protection, a large part of insurance sales is tied to investments, i.e. these are unit linked. We faced a few challenges in the bumpy markets—basically weak customer sentiments and low confidence levels. We responded by adopting a strategy comprising of high engagement with our customers. We were among the very few insurance companies in India to go out and meet customers and distributors, alike during this period, and advised them to stay committed to a long term plan. To our surprise, we received their appreciation for meeting them when the markets were rough.

We recognise we are in the business of trust. Our ability to deliver our promise to customers, partners and stakeholders has been richly rewarded, as reflected in our



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V. Vaidyanathan > Managing Director & CEO

strong renewal inflows. We were also the first Indian life insurance company to receive the 'Life Insurance Company of the Year' award at the Asia Insurance Industry Awards 2008. Our customer service standards are among the finest in the industry. We are a strong brand built on trust and quality customer service, and we are committed to keep it this way.

Looking ahead, the future looks brighter. Global issues are ebbing as we speak, and India looks to resume its long term growth path. As India grows, so will the need for protection. India is very short on long-term social security, and this is a big opportunity in itself. With increasing private sector job opportunities, coupled with the increase in number of self-employed, the need for pensions will only increase. Health in the best of times is an uncertainty, kids' education is increasingly expensive, and hence these present large opportunities for insurance. Insurance is a latent need, but a need it is for sure. We will work out innovative ways of making people discover this need, and we believe this will be the key to opening up the market.

The foundations of the company are strong: excellent people, robust systems and quality customer service. This will form the bedrock for growth in the future.

It is fair to expect such an excellent franchise to deliver profitability, and to be self-sustaining. The expense structure of the industry and for our company will require some rethink, and we will not hesitate to

do all that is required to quickly move to the path to profitability, while eliminating expense overruns. While we will continue to focus on growth, such opportunities will be put to test against minimum boundary conditions of profitability and control. Interestingly, it is possible to increase customer service and reduce costs at the same time as demonstrated by the banking world as they moved from physical to electronic to mobile banking.

We also recognise we have to think long term at every stage, whether it is our market practices, people practices, or our core business model. Every decision we make on these counts will necessarily pass through the "long-term sustainability" filter. We will continue to keep our consumers' interest in the forefront while designing these practices. After all, only if our customers are happy will we be able to grow from strength to strength.

I look forward to developing a strong, stable and profitable franchise in the years to come, and to celebrating many more milestones with you. I look forward to your support.

With warm regards,



V. Vaidyanathan

Managing Director & CEO

Board of **Directors**



Ms. Chanda D. Kochhar
Chairperson



Mr. Barry Stowe
Director



Mr. Adrian O'Connor
Director



Mr. N. S. Kannan
Director



Mr. K. Ramkumar
Director



Mr. Keki Dadiseth
Independent Director



Prof. Marti G. Subrahmanyam
Independent Director



Ms. Rama Bijapurkar
Independent Director



Mr. Vinod Kumar Dhall
Independent Director



Mr. V. Vaidyanathan
Managing Director & CEO

Board **Committees**

BOARD RISK MANAGEMENT & AUDIT COMMITTEE:

Mr. Keki Dadiseth
Chairman

Mr. K. Ramkumar

Mr. Adrian O'Connor

BOARD INVESTMENT COMMITTEE:

Prof. Marti G. Subrahmanyam
Chairman

Mr. N. S. Kannan

Mr. Adrian O'Connor

Mr. V. Vaidyanathan

Mr. Puneet Nanda

Dr. Avijit Chatterjee

Mr. Manish Kumar

BOARD COMPENSATION & NOMINATIONS COMMITTEE:

Ms. Rama Bijapurkar
Chairperson

Prof. Marti G. Subrahmanyam

Mr. Vinod Kumar Dhall

Mr. K. Ramkumar

Mr. Adrian O'Connor

SHARE TRANSFER COMMITTEE:

Mr. Vinod Kumar Dhall
Chairman

Mr. Keki Dadiseth

Mr. V. Vaidyanathan

Learning is

